

Message Text

SECRET

PAGE 01 AMMAN 00502 291438Z

43

ACTION NEA-07

INFO OCT-01 SS-14 ISO-00 H-01 INR-05 PM-03 PRS-01 SP-02

NSC-05 NSCE-00 CIAE-00 OMB-01 SSO-00 INRE-00 NEAE-00

TRSE-00 /040 W

----- 086093

O P 291259Z JAN 76

FM AMEMBASSY AMMAN

TO SECSTATE WASHDC IMMEDIATE 6802

INFO AMEMBASSY JIDDA PRIORITY

S E C R E T AMMAN 0502

LIMDIS

E.O. 11652: GDS

TAGS: PFOR, MASS, JO, SA, US

SUBJECT: DISCUSSION WITH KING-HAWK FINANCING

REF: AMMAN 0498 AND PREVIOUS, STATE 021973

1. SPOKE WITH KING TODAY AND EXPLAINED TO HIM CIRCUMSTANCES SURROUNDING OUR REQUEST FOR IMMEDIATE DOWNPAYMENT ON HAWK OR ALTERNATIVE THAT PROGRAM WOULD HAVE TO BE CANCELLED. HE WAS PARTICULARLY GRATEFUL FOR NEWS THAT PROGRAM LIFE WAS BEING EXTENDED FOR 30 DAYS. HE THOUGHT IT WOULD PROBABLY NOT BE A GOOD IDEA TO PASS THE EXACT TIME OF THE EXTENSION TO SAUDIS WHO MIGHT THEN RELAX IN THEIR TENTS UNTIL THE NEXT DEADLINE.

2. I GAVE KING A SUMMARY OF REASONS WHY WE HAD REQUESTED FUNDS FOR HAWK ON SUCH A SHORT DEADLINE. SINCE THIS EMBASSY HAS NO RECORD OF THE FACT THAT DOD WAS GOING AHEAD WITH RAYTHEON ON PRESUMPTION (STATE 021973, PARA 4) SAUDI FUNDS WERE IN THE BAG AND THAT JAF WAS INFORMED (WE ARE CURRENTLY CHECKING THIS POINT), I MERELY SAID THAT ISSUE CAME UP BECAUSE WE WERE DOING OUR BEST TO AVOID ANY FURTHER SLIPPAGE IN DELIVERY TIMES. THE ERROR, IF ONE WAS COMMITTED AT ALL WAS DUE TO SPECIAL CONCERN FOR JORDAN ON PART OF OUR DEFENSE AND ARMY PEOPLE WHO BEGAN

SECRET

SECRET

PAGE 02 AMMAN 00502 291438Z

CONTRACTING PROCESS TO AVOID ANY FURTHER SLIPPAGE ON LONG LEAD

TIME ITEMS. PROGRESS PAYMENTS WERE NOW DUE, TO CONTRACTOR, AND BECAUSE OF AN EXTRAORDINARY EFFORT ON THE PART OF THE DEFENSE DEPARTMENT, THE TIMING HAD BEEN SLIPPED ONE MONTH. KING SEEMED RELIEVED AND VERY PLEASED AT THE NEWS. HE SAID THAT FOR A WHILE, WITH SO MANY THINGS CRASHING IN ON HIM AT ONCE - LEBANON, WAR IN THE SAHARA, UN VOTES, AND OTHER ITEMS ABOUT WHICH DEPARTMENT IS AWARE, HE THOUGHT THAT THIS PROBLEM WAS PART OF SOME GIANT EFFORT TO SIGNAL A CHANGE IN OUR RELATIONSHIP. I POINTED OUT TO HIM THAT IT WAS AN ACT UNCONNECTED WITH THESE OTHER ITEMS WHICH WERE IN THEMSELVES UNRELATED, AND THAT WE WERE UNDER SEVERE PRESSURE FROM OUR CONGRESS ON THE QUESTION CARRYING OVER SUCH PAYMENTS FOR ANOTHER 30 DAYS AND HOPED THE SAUDIS WOULD COME THROUGH SOON.

3. KING INDICATED THAT SAUDI FINANCE MINISTER WILL ARRIVE JANUARY 30 AT 9:00 AM. I OFFERED AND HE ASKED ME TO BRIEF PRIME MINISTER ON DETAILS OF PAYMENT SITUATION AND I WILL BE SEEING PRIME MINISTER SHORTLY. KING CLEARLY BOUYED BY THE NEWS AND SAYS HE HOPES THE SAUDIS WILL HAVE BETTER NEWS FOR HIM TOMORROW. I BRIEFED HIM GENERALLY ALONG THE LINES OF JIDDA 0638. HE TOLD ME THAT HE HAD NOT HAD ANY SIGNS OF RENEGING FROM SAUDIS WITH THE EXCEPTION OF THE FACT THAT PRINCE SULTAN RECENTLY HAD INDICATED THAT SAUDIS MIGHT WANT TO TRY TO NEGOTIATE TO SPREAD PAYMENTS FOR JORDAN HAWK OVER LONGER PERIOD OF TIME THAN PRESENT FOUR YEARS. I REMINDED KING THAT THERE WAS AS OF YET NO TIME TABLE ESTABLISHED FOR THE FOLLOW-ON FMS CASES AND THAT THE TIME SCHEDULES FOR PAYMENTS WOULD BE ATTACHED TO EACH CASE WHICH WOULD THEN PRESUMABLY BE SUBJECT TO NEGOTIATION BETWEEN US, KEEPING SAUDIS INFORMED. IMPORTANT POINT NOW WAS TO GET INITIAL \$70 MILLION DOWNPAYMENT ESTABLISHED FOR THE HARDWARE CASE IN ORDER TO AVOID CUT OFF AND ANY FURTHER SLIPPAGE IN DELIVERY DATES.
PICKERING

SECRET

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCE, MILITARY SALES, MISSILES
Control Number: n/a
Copy: SINGLE
Draft Date: 29 JAN 1976
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: coburnhl
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976AMMAN00502
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760034-0376
From: AMMAN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760111/aaaaajek.tel
Line Count: 94
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: SECRET
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: LIMDIS
Reference: 76 AMMAN 498, 76 STATE 21973
Review Action: RELEASED, APPROVED
Review Authority: coburnhl
Review Comment: n/a
Review Content Flags:
Review Date: 05 OCT 2004
Review Event:
Review Exemptions: n/a
Review History: WITHDRAWN <15 JUN 2004 by izenbei0, 3.4.X6>; RELEASED <05 OCT 2004 by KelleyW0>; APPROVED <02 NOV 2004 by coburnhl>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: DISCUSSION WITH KING-HAWK FINANCING
TAGS: PFOR, MASS, JO, SA, US
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006